MEMORANDUM

To: Town of Stowe Electric Department Vermont Electric Cooperative, Inc.

From: Susan M. Hudson, Clerk of the Board

Re: Request to Provide Notice to Customers Re Energy Efficiency Utility Initial Overall

Performance Assessments

Date: March 31, 2010

As you may know, in Docket 7466 the Public Service Board ("Board") is investigating a petition filed by the Vermont Department of Public Service regarding the Energy Efficiency Utility's ("EEU") structure. On November 24, 2009, the Board issued an Order in that proceeding altering the structural model of the EEU from a contract-based model to an Order of Appointment model. In that Order, the Board also determined that, prior to issuing any Orders of Appointment, the two current energy efficiency providers, Vermont Energy Investment Corporation ("VEIC") and the City of Burlington Electric Department ("BED"), should be subject to Initial Overall Performance Assessments ("Initial OPAs"). The Board stated that the Initial OPAs would be conducted through an open and public process. The Initial OPAs will review the current providers' effectiveness and determine whether, in the case of VEIC, a competitive solicitation is warranted and, in the case of BED, whether the statewide provider should deliver all EEU services in BED's service territory.

On March 9, 2010, the Board issued an Order in Docket 7466 establishing the process and evaluation criteria for the Initial OPAs. Part of this process involves providing opportunities for members of the public to comment on VEIC's and BED's performance. In the March 9 Order, the Board requested that utilities provide notice in their May customers' bills of the opportunity to comment, if they are able to do so. The Board also recognized that some utilities are not able to provide such notice, and stated that it would publish newspaper notice in local newspapers in areas served by electric utilities who are not able

¹The Board did not require that utilities directly notify customers, but because of the importance of this issue, it asked that customers be given direct notice where possible.

to include notice in their customer bills. The Board also stated that it would contact those electric distribution utilities that are not parties to Docket 7466 and ask them to provide notice in their customers' bills, if possible.

Therefore, the purpose of this memorandum is to ask whether you would be able to provide such notice to your customers in their May bills. For your convenience, I have attached a draft customer notice that the Board has provided to those utilities who will provide such notice. Please let me know by April 9, 2010, whether you will be able to provide notice to your customers; if not, the Board will arrange for publication of the notice in local newspapers in your area.

More information about Docket 7466, including the two Board orders referenced above, is available on the Board's website at: www.psb.vermont.gov/docketsandprojects/eeu/7466

enclosure (1)

cc: Parties to PSB Docket No. 7466